

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

In re: VIP PHARMACY, INC. <div style="text-align: center;"><i>Debtor.</i></div>	: : : : : : :	Chapter 11 Bankruptcy No. 21-10428(ELF)
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**FIRST INTERIM APPLICATION FOR COMPENSATION
AND REIMBURSEMENT OF EXPENSES OF THE LAW OFFICES OF
OFFIT KURMAN, P.C., COUNSEL FOR THE DEBTOR
FOR THE PERIOD FEBRUARY 23, 2021 THROUGH AUGUST 31, 2021**

The Law Offices of Offit Kurman, P.C. (the “Applicant”), counsel to VIP Pharmacy, Inc. (the “Debtor”), in accordance with Federal Rule of Bankruptcy Procedure 2016, applies under Sections 330 and 331 of Title 11 of the United States Code (the “Bankruptcy Code”) for an award of compensation and reimbursement of actual, necessary expenses for the period February 23, 2021 through August 31, 2021.

Part A: Preliminary Statement

1. The Applicant is counsel for the Debtor in this bankruptcy case.
2. All services rendered and expenses incurred for which compensation or reimbursement is requested were performed or incurred for or on behalf of the Debtor.
3. The services described in this application (the “Application”) are actual, necessary services and the compensation requested for those services is reasonable.
4. The expenses described in this Application are actual, necessary expenses.
5. The Applicant makes this Application for interim approval of compensation and reimbursement of expenses for the period February 23, 2021 through August 31, 2021 (the “Compensation Period”).

6. A detailed itemization of the services rendered during the Compensation Period is attached hereto as Exhibit "A."

Part B: General Information

7. Period: February 23, 2021 through August 31, 2021

Final Application _____

Interim Application X

Requested

Fees \$ 57,490.00

Expenses \$ 1,927.00

Total \$ 59,417.00

8. General Information

a. Date case filed: February 23, 2021

b. Date application to approve employment filed: February 25, 2021

c. Date employment approved: March 19, 2021

d. First date services rendered in the case: February 23, 2021

e. Compensation request is under §330: X Yes _____ No

f. Any fees awarded will be paid from the estate: X Yes _____ No

g. This application is for a period less than 120 days after the end of the period of the last application: _____ Yes X No

9. Prior Applications

None.

10. Attorneys Billing for Current Period

<u>Name</u>	<u>Admitted Year</u>	<u>Hours</u>	<u>Billing Rate</u>	<u>Total</u>
Paul J. Winterhalter	1983	136.20	\$ 400.00	\$ 54,480.00
Rachael E. Covington	N/A	17.20	\$ 175.00	\$ 3,010.00
GRAND TOTAL:		153.40		\$ 57,490.00

11. Paralegals Billing for Current Period

Rachael E. Covington, Paralegal, billing at \$175.00 per hour. Ms. Covington has been the Paralegal for Paul J. Winterhalter for the last ten years and actively assists Mr. Winterhalter in Debtors' cases.

12. Billing Rates

- a. Are any of the billing rates different than the billing rates set forth in your last application? ____ Yes X No
- b. If yes, indicate whose billing rates are different and explain why.

Part C: Billing Summary

13. Description of Services

Compensation and reimbursement of expenses is now sought for all reasonable and necessary activities performed in this case from February 23, 2021 through August 31, 2021 including: (a) preparing the bankruptcy petitions and schedules; (b) assisting in preparation of response to U.S. Trustee's and Lenders' inquiries on Cash Collateral issues and approved DIP depository account issues; (c) preparing Applications to Employ Counsel for the Debtor and Accountant for the Debtor; (d) prepare requisite executive compensation pleadings; (e) multiple court appearances on behalf of the Debtor relating principally to continued use of cash collateral, and status of reorganizational efforts and claims allowances; (f) providing legal advice with

respect to the Debtor's duties and business practices as a Debtor-In-Possession; (g) attending the Debtors' Meeting of Creditors and Initial Debtor Interview; (h) negotiating with various creditors relating to debt facilities obligations and security interests in business assets; (i) investigating the disposition of assets and potential options involving financing; (j) participation and negotiation with numerous prospective lenders, investors, and potential strategic acquisition partners with the purpose of developing a Plan of Reorganization for the Debtors; and finally, (k) assisting in preparation of Monthly Operating Reports.

14. Detail of Hours Expended

In accordance with Local Bankruptcy Rule 2016-3, Exhibit "A" provides the time expended by each professional in chronological order during the Compensation Period.

Based on the above, the Applicant requests interim approval by this Court of \$57,490.00 in fees and \$1,927.00 in expenses.

15. In accordance with Local Bankruptcy Rule 2016-2(e), a listing of categories of services rendered and the hours expended in each category is not required for the First Interim Application. The Application does not request professional fees in excess of \$75,000.00.

Part D: Expense Summary

16. From February 23, 2021 through August 31, 2021, the Applicant has expended \$1,927.00 for expenses in connection with the services provided to the Debtor. Set forth in Exhibit "A" following all time entries, is the individual expenses for which reimbursement is sought and the amount of reimbursement sought for filing fees for the Compensation Period.

Part E: Payments Received

17. As reflected in the B.R. 2016(b) Fee Disclosure and in the Verified Statement supporting the Application to Employ Counsel, the Debtor paid the Firm the total sum of \$21,717.00 on account of the Bankruptcy filing. \$600.00 of this sum was used to satisfy the invoice of Offit Kurman, P.C. dated February 4, 2021. During the pre-petition period of February 1, 2020 through February 22, 2021 the Debtor incurred pre-petition legal services in the amount of \$16,025.00. The retainer was also used to pay the Chapter 11 filing fee totaling \$1,717.00 leaving a balance of funds to be applied to any award of fees under this application in the amount of **\$19,400.00**. This sum should be credited against the fee award allowed by the Court.

WHEREFORE, the Applicant requests an award of **\$57,490.00** in compensation and of **\$1,927.00** in reimbursement of actual, necessary expenses incurred in representing the Debtor as its counsel during the periods covered by this application.

Respectfully submitted:

OFFIT KURMAN, P.C.

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Dated: October 14, 2021